

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 17, 2015

Jimmie Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

GA2014-25

**Subject: General Order (G.O.) 112-E Comprehensive Operation and Maintenance  
Inspection of Southern California Gas Company's Pacific – North Distribution Facilities**

Dear Mr. Cho:

The Safety Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112-E Comprehensive Operation and Maintenance Inspection of Southern California Gas Company's (SCG) Pacific – North Distribution Inspection Unit (Inspection Unit) on May 5-9, 2014. The inspection included a review of the Inspection Unit's records for calendar year 2013 and random inspections of pipeline facilities in the Hollywood and Juanita districts. SED staff also reviewed the Inspection Unit's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified two probable violations of G.O. 112-E, Reference Title 49 Code of Federal Regulations (CFR), Part 192. SCG also submitted documentation regarding non-compliances to SED. Both are described in the "Summary of Inspection Findings" enclosed with this letter. A summary of recommendations SED made to the Inspection Unit is also enclosed in the "Recommendations and Concerns Summary".

Please provide a written response within 30 days of receipt of this letter indicating any updates or further corrective actions taken by SCG to mitigate and prevent recurrence of the non-compliances. SED will notify SCG of the enforcement action it plans to take after it reviews SCG's inspection response.

If you have any questions, please contact Michelle Wei, at (213) 620-2780.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

CC: Michelle Wei SED/GSRB  
Kan Wai Tong SED/GSRB

**Summary of Inspection Findings**  
**2014 SCG Pacific - North Distribution Unit Inspection**  
**May 5-9, 2014**

**I. SCG Identified Probable Violations**

**1. Title 49 CFR Part 192, Section 192.465(a) – External Corrosion Control: Monitoring**

*“Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months...”*

SCG discovered and notified SED that the Inspection Unit did not survey 208 feet of 2-inch steel main since the isolation of the section by adjacent plastic pipes in October 1984. SCG discovered the missed survey during review of its improved GIS mapping data on March 27, 2014 and conducted a survey on the same day. SCG found the subject area within its criteria. On April 23, 2014, the Inspection Unit created a new CP area C0403W-9 and maintenance plan. SCG had missed the survey cycle for this section for 29 years. Therefore, SED found SCG in violation of Title 49 CFR Part 192, Section 192.465(a).

**2. Title 49 CFR Part 192, Section 192.723(b)(1)&(2) – Distribution Systems: Leakage Surveys**

*“(1) A leakage survey with lead detection equipment must be conducted in business districts... at intervals not exceeding 15 months, but at least once each calendar year.  
(2) A leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months. However, for cathodically unprotected distribution lines... a leakage survey must be conducted at least once every 3 calendar years at intervals not exceeding 39 months.”*

SCG discovered and notified SED that the Inspection Unit missed the required leak survey inspection on two segments of pipe. SCG identified these missed leak surveys during Sempra’s data analysis of its improved GIS mapping system.

- A. The Inspection Unit identified the first segment on April 20, 2014. Approximately 83-feet of unprotected steel main had been on a 5-year leak survey cycle since installation on April 1, 1951 but the improved accuracy in the mapping system revealed that they were supposed to be on 3-year cathodically unprotected steel cycles. SCG performed a leak survey on April 24, 2014 and found no leaks. By referencing SCG’s previous inspection dates, SED found that SCG had missed nine inspection cycles over the life of the pipeline. Therefore, SED found SCG in violation of Title 49 CFR Part 192, Section 192.723(b)(2).
- B. The Inspection Unit identified the second segment on April 18, 2014. It consisted of approximately 1,845 feet of gas main that did not have a leak survey cycle maintenance plan. It had previously been regularly surveyed on July 8, 2006. 575 feet of the segment should have been on an annual inspection cycle and 1,270 feet of the segment should have been on a 5-year inspection cycle. SCG performed a leak survey on May 1, 2014

and found no leaks. By referencing SCG's previous inspection dates, SED found that SCG had missed seven annual inspection cycles and one 5-year cycle. Therefore, SED found SCG in violation of Title 49 CFR Part 192, Section 192.723(b)(1)&(2).

## **II. SED Identified Probable Violations**

### **1. Title 49 CFR Part 192, Section 192.13(c) – General Requirements**

*“Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.”*

#### **SCG Procedure 184.14 – Leak Surveys – Distribution Piping**

*“Section 6.2 – The person performing the leak survey is required to bracket the completed area(s) they surveyed for that day on the Atlas Sheet. It is also required for them to include their initials and the date the survey was performed on each pipeline segment.”*

SED discovered that the Inspection Unit failed to document the leak survey for a 150 foot section of pipe on atlas map HOL 58 on the border of the Hollywood and Juanita districts. Therefore, SED found SCG in violation of Title 49 CFR Part 192, Section 192.13(c).

### **2. Title 49 CFR Part 192, Section 192.465(a) – External Corrosion Control: Monitoring**

*“Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months... However if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.”*

SED discovered during the course of its inspection that the Inspection Unit did not survey a short section of pipe every 10 years as required. CP10 #9627 at 9820 Vicar St., Los Angeles was inspected on June 17, 2002 and not inspected again until December 26, 2013. SCG found the subject area within its criteria on both occasions. Even though the inspection result satisfied SCG's criteria, SCT had missed its survey due date by 17 months. Therefore, SED found SCG in violation of Title 49 CFR Part 192, Section 192.465(a).

## **III. Recommendations and Concerns Summary**

During the course of its field investigation, SED participated in several driving patrols with SCG personnel. Some of these patrols were conducted in high traffic areas. Driving patrols can require the SCG employee to watch for pipeline markers, look for abnormal operating conditions, or monitor leak detection equipment while also operating a vehicle. SED recommends that SCG require driving patrols in high traffic areas be conducted with two people; one to monitor the equipment or pipeline while the other can focus on safe driving practices.